

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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Chief Deputy



Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON F. NABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

January 11, 2006

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

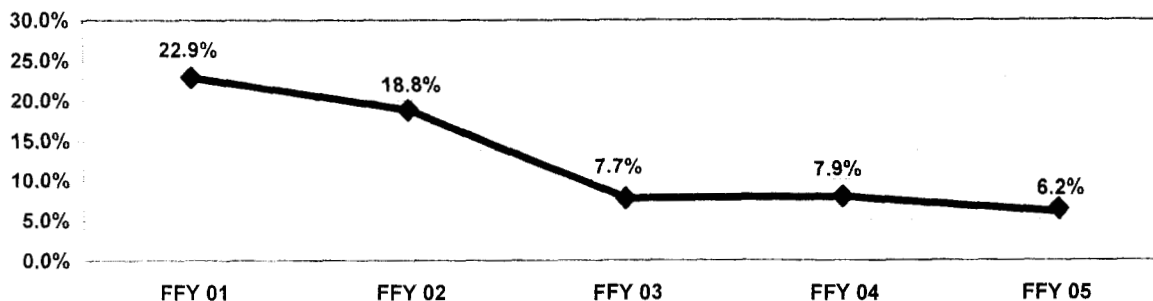
SUBJECT: **BOARD OF SUPERVISORS MOTION: L.A. COUNTY FOOD STAMP
ERROR RATE PROGRESS REPORT
(BOARD ORDER #38 – APRIL 24, 2001)**

This is to provide your Board with a quarterly progress report on the Los Angeles County Food Stamp error rate for Federal Fiscal Year (FFY) 2005. Representatives from the Chief Administrative Office (CAO) have reviewed and concur with the information in this report. Representatives from the Auditor-Controller have reviewed and agree with the FFY 2005 QC Error Rate data included in the Error Rate section of this report.

ERROR RATE

Food Stamp payment accuracy remains a top priority for our Department and we continue to make notable progress in further reducing the Food Stamp error rate. As indicated in the chart below, our preliminary Quality Control (QC) error rate for Federal Fiscal Year (FFY) 2005, (October 2004 through September 2005), is 6.21%, achieving our error rate goal of 8% or below for the second consecutive year. This preliminary error rate represents a 1.69 percentage point reduction from the 7.9% error rate for FFY 2004. However, the final results for FFY 2005 will not be known until June 2006, as this error rate is subject to Federal validation and adjustment.

TRENDS IN LOS ANGELES COUNTY ERROR RATE FFY 2001-2005*



Sources: State Quality Control System Reports.

"To Enrich Lives Through Effective And Caring Service"

DPSS continues extensive internal payment accuracy audits to monitor performance and ranks each district office based on these audits (see attachment). District managers are held accountable for their error rate performance. The attached chart of internal audit findings reflects the improved results of district office efforts and a continuing downward trend in the error rate.

FOOD STAMP SANCTION/REINVESTMENT

As I reported to your Board in my memo of November 15, 2005, the agreement between the United States Department of Agriculture (USDA) and the California Department of Social Services (CDSS) settling the sanctions for FFYs 2000 through 2002 requires California to reinvest part or all of \$12.5 million held at risk each year for FFYs 2003 through FFY 2007, if an error rate target of 7.4 percent is not met. If the target is met, the at-risk amount for that year is forgiven. If the error rate target is exceeded, the State must reinvest all or a portion of the \$12.5 million at-risk monies in error reduction projects based on a sliding scale.

California's error rate of 7.96% for FFY 2003 exceeded the 7.4% target. As a result, California must reinvest \$1 million in 100% State/County funded error-reduction projects and place an additional \$1 million at risk based on FFY 2005 performance. Los Angeles County's share of the \$1 million reinvestment amount is \$769,271.

The CDSS requested counties to submit a Reinvestment Plan for FFY 2003 in a letter dated September 15, 2005. Our Computer-Assisted Scanning and Tracking (CAST) System was selected as the activity for reinvestment as a result of a recommendation by the State. While CAST represents a major commitment by the Department to long term error rate reduction in the Food Stamp Program, a decision has not yet been made by CDSS on the official FFY 2003 Reinvestment Project.

I will continue to keep your Board advised with quarterly reports on the Food Stamp error rate.

BY:ps

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

LOS ANGELES COUNTY DEPARTMENT OF PUBLIC SOCIAL SERVICES
Research, Evaluation and Quality Assurance Division
Quality Assurance Program Review
Agency Only Food Stamp Payment Error Rates by District

FFY 2005****

Oct 2004	Nov 2004	Dec 2004	Jan 2005	Feb 2005	Mar 2005	Apr 2005	May 2005	Jun 2005	Jul 2005	Aug 2005	Sep 2005	Oct 2004 - Sep 2005	Posi tion
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GR SPECIALIZED
DISTRICTS

Civic Center	0.00%	0.79%	0.00%	0.00%	0.76%	0.00%	0.00%	0.51%	0.38%	0.00%	0.00%	0.00%	0.20%	1
South Special	0.91%	1.14%	0.34%	0.50%	0.33%	0.16%	0.49%	0.16%	0.17%	0.00%	0.00%	0.00%	0.36%	2
Rancho Park	4.65%	1.16%	2.77%	2.22%	0.00%	1.54%	1.59%	0.58%	1.02%	0.00%	0.00%	0.41%	1.28%	3
Wilshire Special	7.64%	4.25%	3.13%	2.55%	0.00%	1.20%	0.50%	2.60%	1.17%	1.35%	0.00%	0.00%	2.06%	4
Southwest Special	3.67%	3.80%	3.80%	4.75%	1.72%	0.64%	1.73%	2.91%	1.45%	1.00%	0.52%	—*	2.35%	5
Metro Special	6.53%	4.21%	1.01%	1.04%	4.15%	3.34%	3.57%	3.38%	2.19%	1.87%	2.74%	2.66%	3.10%	6

ALL OTHER DISTRICTS

Florence	0.35%	2.05%	3.37%	1.09%	1.78%	2.06%	0.80%	2.98%	0.85%	1.55%	1.00%	3.44%	1.79%	1
Paramount	3.05%	5.74%	3.20%	4.89%	4.12%	1.97%	1.58%	2.12%	2.05%	2.24%	2.75%	0.78%	2.92%	2
San Gabriel Valley	6.04%	0.52%	4.81%	6.61%	5.10%	4.54%	2.91%	1.87%	0.33%	6.38%	0.79%	0.00%	3.32%	3
El Monte	2.17%	3.28%	7.65%	5.52%	1.61%	3.10%	1.67%	6.23%	3.69%	1.72%	1.73%	2.24%	3.37%	4
South Central	3.67%	4.70%	5.48%	7.68%	4.78%	2.93%	2.49%	1.45%	1.85%	1.47%	1.62%	3.92%	3.56%	5
Norwalk	3.12%	2.81%	3.48%	4.18%	3.49%	2.68%	0.84%	3.27%	2.84%	6.39%	4.26%	6.94%	3.71%	6
Belvedere	5.22%	10.22%	7.18%	3.75%	3.14%	2.13%	4.90%	1.06%	2.96%	1.41%	1.92%	1.93%	3.82%	7
West Los Angeles	4.18%	4.07%	4.09%	1.95%	3.92%	3.84%	3.96%	6.19%	2.59%	4.24%	1.54%	5.50%	3.83%	8
Metro Family	5.24%	4.31%	5.13%	5.05%	5.03%	5.46%	3.41%	4.15%	1.10%	3.85%	2.91%	0.67%	3.84%	9
East Valley***	2.20%	5.08%	5.71%	4.14%	4.93%	4.92%	2.58%	6.18%	3.61%	2.76%	2.18%	2.95%	3.96%	10
Metro East	3.40%	4.01%	8.44%	4.34%	2.47%	7.65%	5.98%	2.14%	2.95%	2.13%	4.03%	2.45%	4.19%	11
Cudahy	5.26%	3.87%	6.90%	7.56%	8.15%	4.91%	3.85%	2.25%	4.93%	3.33%	1.62%	1.08%	4.43%	12
Metro North	9.56%	5.81%	7.06%	7.63%	4.03%	2.28%	2.88%	4.05%	3.19%	2.35%	3.30%	4.09%	4.65%	13
Glendale	5.96%	4.04%	8.52%	7.65%	5.15%	5.41%	4.78%	3.80%	3.01%	3.77%	1.64%	2.27%	4.71%	14
South Family	5.38%	7.47%	5.95%	5.57%	5.83%	4.14%	6.24%	3.62%	3.62%	4.27%	3.47%	3.70%	4.95%	15
West Valley***	2.90%	6.15%	6.09%	5.74%	5.98%	6.24%	3.73%	3.74%	1.65%	8.22%	5.45%	3.77%	5.00%	16
Pasadena	6.51%	4.41%	7.53%	6.71%	5.13%	5.45%	2.54%	3.07%	3.11%	2.80%	8.50%	4.63%	5.07%	17
Exposition Park	6.69%	6.43%	4.51%	5.00%	5.69%	4.38%	5.03%	3.05%	5.79%	2.39%	5.44%	7.01%	5.11%	18
Lancaster	4.54%	4.51%	6.72%	5.17%	7.41%	5.97%	4.55%	8.19%	5.22%	5.94%	3.68%	2.80%	5.38%**	19
Lincoln Heights	2.94%	4.86%	11.97%	7.28%	5.01%	9.64%	5.65%	1.81%	6.96%	2.23%	4.06%	2.12%	5.38%**	19
Compton	7.44%	4.78%	12.69%	5.81%	6.76%	2.06%	4.33%	4.92%	4.70%	4.36%	5.61%	4.02%	5.63%	20
Pomona	7.21%	2.64%	13.19%	7.92%	4.95%	3.25%	5.72%	13.60%	2.91%	2.35%	3.42%	4.02%	5.92%	21
Southwest Family	6.68%	6.83%	11.04%	10.58%	6.11%	5.31%	6.25%	2.54%	5.13%	5.95%	2.83%	0.94%	5.94%	22

Total	4.87%	4.65%	6.50%	5.34%	4.52%	3.90%	3.64%	3.93%	3.08%	3.40%	2.93%	2.85%	4.14%
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* Southwest Special was exempt from the September 2005 QA Audit due to its move.

** Districts with the same error rate are listed in alphabetical order.

*** Includes Branch Office

**** Preliminary - Second - level disagreements pending for April 2005 through September 2005